



FY 1999 Performance Report



Performance Goal 1: Ireland**National Interest:** National Security

Strategic Goal	Ensure that local and regional instabilities do not threaten the security and well-being of the United States or its allies.			
Outcome Desired	Full implementation of the Good Friday peace agreement.			
Performance Goal	Minimize factors inhibiting implementation of the Good Friday peace agreement.			
Strategies & Tactics	<ul style="list-style-type: none">Diplomatic interventions at highest levels in support of talks on implementation of the Good Friday peace agreement.Economic support via the International Fund for Ireland and promote private investment and free enterprise.Programs to promote civic cooperation between Protestants and Catholics.			
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99	Actual Level FY '99
See attached Alternative Indicator Sheet				
Resources				
Foreign Operations:		\$19.6 million (International Fund for Ireland)		
Admin:		\$ 0.8 million (Irish Peace Process Cultural and Training Program)		
Country	Ireland, UK			
Partners	AID, International Fund for Ireland, Commerce, INS, CA			
Assumptions & External Factors	<ul style="list-style-type: none">Continued strong interest of White House, Congress and Irish-American community.Continued close collaboration with governments of UK and Ireland.Cooperation and participation by Sinn Fein and other political parties associated with paramilitary groups.			

Alternative Indicator Sheet

Performance Goal 1: Ireland

National Interest: National Security

Indicators (Alternative)	Baseline FY '98	Target Level FY '99	Actual Level FY '99
Effective functioning of devolved governing institutions.	Good Friday Agreement approved but not yet implemented; power not yet devolved and cross-border bodies not yet operational.	<p>Successful: Good Friday Agreement implemented. Power devolved and functioning smoothly as local government of the province with regular procedures; north-south ministerial council and British Isles Council established and handling issues in a business like manner.</p> <p>Minimally Effective: Power still not devolved, but cease-fire and peace process talks continuing.</p> <p>Unsuccessful: Collapse of peace process and resumption of violence.</p>	<p>Successful: Nature of north-south bodies determined; shadow assembly worked on multi-party basis to establish operating procedures for Assembly. Human Rights Commission and Equality Commission inaugurated.</p> <p>Minimally Effective: Power still not devolved, but cease- fire and peace process talks continuing.</p> <p>Unsuccessful: Devolution/decommissioning impasse not resolved. Way Forward proposal rejected.</p>

National Interest: National Security

Performance Goal 2: Weapons of Mass Destruction Proliferation

Strategic Goal	Eliminate the threat to the United States and its allies from weapons of mass destruction (WMD) and destabilizing conventional arms.			
Outcome Desired	Russia and other NIS countries do not contribute to the proliferation of WMD materials, weapons expertise, technologies, or delivery systems.			
Performance Goal	State will negotiate and implement with Russia and the other NIS countries the framework of treaties, agreements and controls that will enable them to prevent WMD proliferation.			
Strategies & Tactics	State will pursue a vigorous diplomacy with NIS countries to establish national systems of export control and effective enforcement of these controls.			
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99	Actual Level FY '99
See attached Alternative Indicator Sheet				
Resources				
NDF		\$1.83M		
ESF		\$3.88M		
NADR		\$1.09M		
		\$7.01M		
Country		NIS Region		
Lead & Partners		Lead: S/NIS; Partners: PM, Defense, Commerce		
Data Verification and Validation				
Data Source: U. S. Embassy Reporting				
Assumptions & External Factors	Rogue states will continue active efforts to obtain weapons, delivery systems and expertise in their production and use.			

Alternative Indicator Sheet

National Interest: National Security

Performance Goal 2: Weapons of Mass Destruction Proliferation

Indicators (Alternative)	Baseline FY '98	Target Level FY '99	Actual Level FY '99
Increasing support by NIS countries for effective nonproliferation export controls	Some NIS WMD-capable countries and transit states are engaged in the development of effective nonproliferation export controls. But of the 12 NIS countries, only 5 have established systems and 3 enforce them effectively.	<p>Successful: Adoption of effective, regime-consistent nonproliferation export controls by Russia and the other WMD-capable NIS; development of effective enforcement mechanisms.</p> <p>Minimally Effective: Controls are enacted, but enforcement mechanisms are not completed.</p> <p>Unsuccessful: No additions to the list of NIS countries establishing/enforcing nonproliferation export controls.</p>	<p>Successful: Russia adopted a new omnibus export control law and VEK given lead responsibility for its enforcement; installation of internal compliance programs at over 200 Russian aerospace and nuclear enterprises; Ukraine completed drafting its omnibus export control law and began legislative consideration; automated export licensing systems installed in several NIS countries</p>



FY 1999 Performance Report



Economic Prosperity

Performance Goal 3: Trade & Investment

Strategic Goal	Open world markets to increase trade and free the flow of goods, services, and capital.		
Outcome Desired	Open markets for goods, services, and capital promote increased U.S. prosperity.		
Performance Goal	<ul style="list-style-type: none"> • Create an international framework for open markets which increases economic opportunities for the U.S. and prospects for global prosperity • Liberalize international trade and open financial markets in developing and transition economies. • Integrate emerging economies into the world trading system through expanded WTO membership. • Advance civil aviation, transport, telecommunications and energy initiatives/negotiations. 		
Strategies & Tactics	<ul style="list-style-type: none"> • Expand scope of regional and multilateral trade, investment, anti-corruption, and intellectual property regimes. • Promote market-oriented reforms in key countries • Develop international rules and standards • Enforce rules/agreements to reduce/eliminate foreign trade barriers, increase transparency, and strengthen the rule of law, including full implementation of Uruguay Round accords, and effective protection of intellectual property. • Conclude additional “Open Skies” civil aviation agreements, and liberalize current aviation agreement with important partners • Secure additional rights for US shipping companies in Brazil, China and Japan 		
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99
See attached Alternative Indicator Sheet			
Country	Worldwide		
Partners	USTR, Regional Bureaus, Department of Commerce, USDA		

Alternative Indicator Sheet

National Interest: Economic Prosperity

Performance Goal 3: Trade & Investment

Data Verification and Validation	
Data Source: EB reports, OECD, WTO, IEA, Embassy Reporting	
Assumptions & External Factors	<ul style="list-style-type: none"> • Many Asian governments will continue to support economic reform, but continued hardship from the financial crisis will strain this attitude. • We can overcome the resistance of foreign governments to opening markets, particularly in sensitive sectors like agriculture and telecommunications, and their reluctance to implement unfavorable dispute settlement rulings. • Corruption will continue to grow as a domestic political issue in key developing countries. Opposition to collective implementation of anti-corruption instruments must be countered. • Political will exists in the U.S. and EU to make tough concessions and lower trade barriers, but difficulty in attaining consensus within EU will hamper negotiations. • Concerns in many countries over the safety of imported agricultural products, especially those made using biotechnology, will grow. • Traditional statist telecommunications policies will be increasingly viewed as inadequate to meet demands of changing technology and market forces. • Growing globalization of air service and desire for alliances with U.S. airlines will provide impetus for to conclude Open Skies agreements with a number of countries that until now have resisted the concept. • Globalization of the international shipping market will prompt closer commercial cooperation between U.S. and foreign carriers and accelerate the trend towards mergers and consolidations around the world. • Gains in non-OPEC oil production will be offset by demand growth in Asia (particularly China), ensuring continued global dependence on Persian Gulf oil.

Alternative Indicator Sheet

National Interest: Economic Prosperity

Performance Goal 3: Trade & Investment

Indicators (Alternative) NIS and former Communist country accessions to WTO	Baseline FY '98 Latvia and Kyrgyz Republic are WTO members	Target Level FY '99 Successful: Two more countries members -- Armenia and Estonia	Actual Level FY '99 Successful: Latvia and Estonia became WTO members. Accession agreements completed and sent to national parliaments in Georgia and Jordan.
Number of countries signing more liberal aviation agreements	34 countries signed agreements	Successful: Six more countries sign agreements (UK, Argentina, Kenya, China, Dominican Republic, Pakistan)	Successful: Six (Bahrain, China, Italy, Mexico, Pakistan, United Arab Emirates)
US telecommunications and information technology equipment sales	\$18.9 billion	Successful: \$20.6 billion	
Foreign operations revenues of US telecommunications, including satellite, service providers	\$14.42 billion	Successful: \$13.57 billion	
Number of petroleum consumer countries that maintain 90 day stocks to meet an oil supply emergency resulting from non-market forces	22 out of 24 International Energy Agency members maintain 90 day oil stocks	Successful: Two more countries (Turkey and Portugal) maintain 90 day stocks	Minimally Effective: The increase in world oil prices created major disincentives for holding oil stocks. Consequently, eight out of a (new) total of 25 IEA members failed to maintain the required level of stocks.

Performance Goal 4: Export Promotion

Strategic Goal	Expand U.S exports from \$930 billion in 1998 to \$1.2 trillion early in the 21 st century.			
Outcome Desired	Utilize exports, which in 1998 accounted for 12% of U.S GDP and one in seven U.S jobs, (since 1992, export growth has accounted for over 1/4 of U.S. economic expansion) to foster U.S prosperity.			
Performance Goal	<ul style="list-style-type: none">• Focus U.S Government export promotion efforts on best international market prospects.			
Strategies & Tactics	<ul style="list-style-type: none">• Focus U.S advocacy and export promotion in most promising market prospects, especially Europe and Asia.• Identify and promote new U.S export opportunities in non-traditional markets.• Support American foreign direct investment by negotiating multilateral and regional accords on investment and Bilateral Investment Treaties (BITs).• Work through Trans-Atlantic Partnership and Trans-Atlantic Business Dialogue to facilitate resolution of trade issues with the EU.• Ensure U.S. sanctions policies and case-by-case sanctions decisions meet international trade and investment obligations and do not unnecessarily burden U.S. competitiveness.• Consider appropriate use of agricultural export subsidy programs to counter subsidy practices by competitors in third markets.			
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99	Actual Level FY '99
See attached Alternative Indicator Sheet				
Country	Worldwide			
Partners	USTR, Regional Bureaus, Department of Commerce			
Data Verification and Validation				
Data Source: EB reports, OECD, WTO, IEA, Embassy Reporting				
Assumptions & External Factors	<ul style="list-style-type: none">• In the aftermath of economic crises in Asia, Russia, and Brazil, emerging markets’ share of the world trade has declined, requiring more resources to identify best market prospects for U.S firms• While espousing telecommunications liberalization, many countries will resist needed measures to break entrenched monopolies and give foreign service and equipment providers effective market access.			

Alternative Indicator Sheet

National Interest: Economic Prosperity

Performance Goal 4: Export Promotion

Indicators (Alternative)	Baseline FY '98	Target Level FY '99	Actual Level FY '99
Total level of all US exports (good only; not services)	\$665 billion	Successful: \$685 billion	Successful: \$693 billion
Bilateral investment treaties (BITs) negotiated. Prior to 1998, 40 BITs signed.	Sign two more BITs (Bolivia and Lithuania) Ongoing negotiations w/ five countries Engaged in preparatory discussions w/ 44 more countries	Successful: Sign four more BITs (Korea, Hong Kong, Panama amendment, Mozambique) Conduct six ongoing negotiations	Successful: Three more BITs signed with Mozambique, Bahrain, and El Salvador. Seventeen negotiations underway.

National Interest: Economic Prosperity

Performance Goal 5: Growth & Stability

Strategic Goal	Increase global economic growth and stability.			
Outcome Desired	Improve global macroeconomic conditions in order to sustain U.S economic growth and exports, and to maintain international stability.			
Performance Goal	<ul style="list-style-type: none"> Encourage other countries to adopt policies designed to achieve global financial stability and restore economic growth. 			
Strategies & Tactics	<ul style="list-style-type: none"> Encourage other countries to adopt macro-economic, trade, investment, exchange rate, legal and regulatory policies to support economic growth. Strengthen international financial institutions to enhance their ability to maintain global and financial stability. Work through international economic institutions to strengthen the international financial architecture by promoting greater transparency, sustainable foreign exchange policies, and encouraging sound macroeconomic policies. Work through IFIs to include adequate social safety nets, including policies that promote respect for worker rights. Develop better advance warning mechanisms to avoid financial crises in emerging markets. Pay assessments to international economic institutions to preserve U.S influence and leadership. Promote sustainable development and diverse sources of energy supplies to aid global economic growth. Promote enhancements to the HIPC initiative, to achieve sustainable levels of external debt for the poorest countries to budget transparency, democracy, and poverty alleviation. 			
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99	Actual Level FY '99
See attached Alternative Indicator Sheet				
Country	Worldwide			
Partners	Regional Bureaus, Treasury, AID, IFIs,			

National Interest: Economic Prosperity

Performance Goal 5: Growth & Stability

Data Verification and Validation	
Data Source: EB reports, OECD, Embassy and IFI Reporting	
Assumptions & External Factors	<ul style="list-style-type: none"> • World financial markets and emerging economies will remain fragile in the aftermath of the financial shocks of 1997 and 1998. • Reform-minded governments will remain in office in relevant countries. • The private sector will be the engine of growth and private financial flows will dwarf official flows in most countries. • The international finance community will be vigilant in identifying potential problems, and will be prepared to take necessary corrective action. • Paris Club reschedulings will continue not to be scored against the budget, however, Paris Club debt and HIPC reductions will be scored. • There will be growing public attention, both within individual countries and internationally, to issues of fairness concerning distribution of the benefits of increased globalization.

Alternative Indicator Sheet

National Interest: Economic Prosperity

Performance Goal 5: Growth & Stability

Indicators (Alternative)	Baseline FY '98	Target Level FY '99	Actual Level FY '99
World Bank Group - IDA	0	Successful: 0	Successful: \$167.5 million
-GEF	\$192.5 m.	\$107.5 m.	
EBRD -	0	0	
IMF	Quota	0	

Performance Goal 6: Economic Development

Strategic Goal	Promote broad-based growth in developing and transitional economies.			
Outcome Desired	Growth in developing and transitional economies will benefit American economy and the American companies.			
Performance Goal	<ul style="list-style-type: none">Persuade developing and transitional countries to make the necessary policy changes to create policy environments capable of supporting sustained economic growth			
Strategies & Tactics	<ul style="list-style-type: none">Promote transition from socialist to market-based economies throughout the world.Support the aims and passage of the Administration’s “Africa Growth and the Opportunity Act,” the Caribbean Basin Initiative, and the enhanced Generalized System of Preferences (GSP) program.Promote sustainable development and diverse sources of energy supplies to aid global economic growth. Contribute to environmentally sustainable economic growth in less-developed countries through development assistance and debt swaps and buybacks under the Tropical Forest Conservation Act. Ensure global climate change negotiations are based on sound economic principles so that emissions controls and other initiatives do not dampen economic activity.Promote international understanding that economic growth and respect for worker rights are both essential elements of strong economies. Recognizing that economic growth must benefit all sectors of society, encourage implementation and enforcement of ILO-defined core labor standards.			
Indicators (Quantitative)		Baseline FY '98	Target Level FY '99	Actual Level FY '99
See attached Alternative Indicator Sheet				
Country	Worldwide			
Partners	OES, Regional Bureaus, IFIs			
Data Verification and Validation				
Data Source: World Bank and Regional Development banks				
Assumptions & External Factors	<ul style="list-style-type: none">Recipient governments remain reform-minded and committed to IFI reform programs.Economies in transition will continue to move in the direction of market-based economies.Senators from states where textile industry is based will oppose Africa Trade Bill passage, causing a serious obstacle.			

Alternative Indicator Sheet

National Interest: Economic Prosperity

Performance Goal 6: Economic Development

Indicators (Alternative) Graduation from SEED program as a measure of the development of a market economy and strong private sector	Baseline FY '98 Graduates include the Czech Republic, Estonia, Slovenia, Hungary, and Latvia	Target Level FY '99 Successful: Lithuania, Slovakia and Poland graduate	Actual Level FY '99
US Arrears to Selected MDBs:		Successful:	Successful:
1) Inter-American Development Bank IDB FSO	0 \$21.2 million	0 0	\$79.8 million (IDB/MIF) 0
2) Asian Development Bank ADB ADF	0 \$187 million	0 \$77 million	0 \$77 million
3) African Development Bank AfDF	\$83.8 million	\$27 million	\$27 million